EOG Resources, Inc. P.O. 1910 Vernal, UT 84078

May 28, 2003

Utah Division of Oil, Gas, & Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

> RE: APPLICATION FOR PERMIT TO DRILL SOUTH CHAPITA 1-3 SW/SW, SEC. 3, T10S, R23E UINTAH COUNTY, UTAH LEASE NO.: UTU-80613 FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (425)780 41

Phone: (435)789-4120 Fax: (435)789-1420

Sincerely

Agent

EOG Resources, Inc.

RECEIVED

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DIV. OF OIL, GAS & MINING

Attachments

Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0136

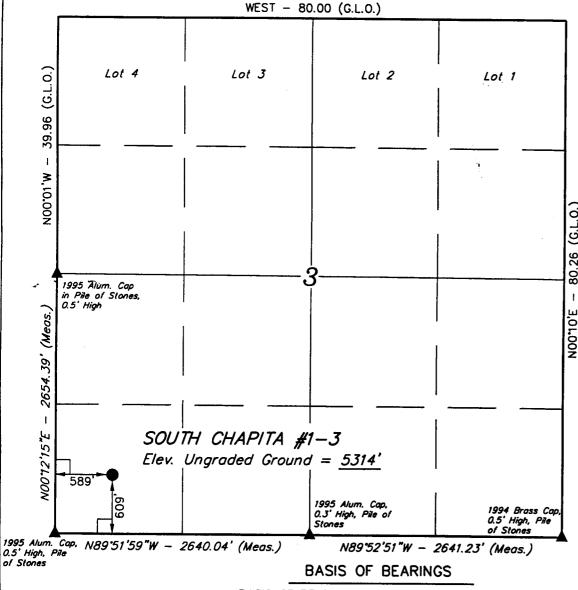
5. Lease serial No. **BUREAU OF LAND MANAGEMENT** UTU-80613 0.01APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allottee or Tribe name 1a. TYPE OF WORK M DRILL REENTER 7. If Unit or CA Agreement, Name and No. b. TYPE OF WELL □Oil Well **∑** Gas Well Other Single Zone Multiple Zone 2. Name of Operator CONFIDENTIAL 8. Lease Name and Well No. EOG RESOURCES, INC. SOUTH CHAPITA 1-3 3a. Address 9. API Well No. P.O. BOX 1910, VERNAL, UT 84078 43-047-35030 3b. Telephone Number: (435)789-4120 10. Field and pool, or Exploratory NATURAL BUTTES 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T., R., M., or BLK. And survey of area 4425844 Y 39.97248 609' FSL & 589' FWL 643481X SEC. 3, T10S, R23E, S.L.B.&M. -109.31986 At proposed prod. Zone 14. Distance in miles and direction from nearest town or post office* 12. County or parish 13. State 27.9 MILES SOUTHEAST OF OURAY, UTAH **UINTAH** UTAH 15. Distance from proposed 16. No. of acres in lease 17. Spacing Unit dedicated to this well location to nearest property or lease line, ft. 589 642 (Also to nearest drig. Unit line, if any) 18. Distance from proposed location* 19. Proposed depth 20. BLM/BIA Bond No. on file to nearest well, drilling, completed, See Map C or applied for, on this lease, ft. 8253 #NM 2308 21. Elevations (show whether DF, KDB, RT, GL, etc. 22. Approx. date work will start* 23. Estimated duration 5311.0 FEET GRADED GROUND UPON APPROVAL 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form: Well plat certified by a registered surveyor. 1. 4. Bond to cover the operations unless covered by an existing bond on file 2. A Drilling Plan (see item 20 above). A Surface Use Plan (if the location is on National Forest System lands, the Operator certification. SUPO shall be filed with the appropriate Forest Service Office. 6. Such other site specific information and/or plans as may be required by the Authorized officer. Name (Printed/ Typed) 25. Signature Approval of Ld Ed Trotter 18 Necessary Title Approved by (Signature) Name (Printed/Typed) BRADLEY G. HILI ENVIRONMENTAL SCIENTIST III Title Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

^{*(}Instructions on reverse)

T10S, R23E, S.L.B.&M.

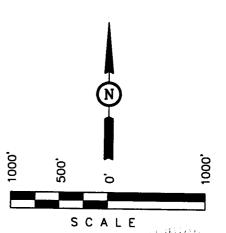


EOG RESOURCES, INC.

Well location, SOUTH CHAPITA #1-3, located as shown in the SW 1/4 SW 1/4 of Section 3. T10S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 10, T10S, R22E, S.L.B.&M. TAKEN FROM THE ASPHALT WASH QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5484 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS WADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE SING PORRECT BEST OF MY KNOWLEDGE AND BELIEF.

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST -VERNAL, UTAH 84078 (435) 789-1017

SCALE DATE SURVEYED: DATE DRAWN: 1" = 1000'4-8-03 4-9-03 PARTY REFERENCES J.F. A.F. C.G. G.L.O. PLAT WEATHER WARM EOG RESOURCES, INC.

LEGEND: BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

= 90° SYMBOL

PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 27)

LATITUDE = $39^{58}20.66$ " (39.972406)

LONGITUDE = 109'19'11.09" (109.319747)

SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Wasatch	4148
Island	6378
KMV Price River	6628
KMV Price River Middle	7077
KMV Price River Lower	7726
Bit Trip Sego	8093
Sego	8153

EST. TD: 8253

Anticipated BHP 3600 PSI

DATING PACTOR

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

							KA	IING FAC	<u>10K</u>
HOLE SIZE	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	GRADE	THREAD	COLLA	PSE BURS	T TENSILE
12 1/4"	0' - 500'+/- KB	500' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	500' – TD +/-KB	8253' +/-	4 1/2"	11.6#	N-80	ST&C	6350 PSI	7780 PSI	267,000#

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0-500' Below GL):

Guide Shoe

Insert Baffle

Wooden wiper plug

Centralizers: 1 - 5 - 10' above shoe, every collar for next 3 joints (4 total).

Production Hole Procedure (500'-TD'):

Texas-Pattern shoe, short casing shoe joint (\pm 20°), Float Collar, and balance of casing to surface. Run short casing joint (< 38°) at \pm 3,000° (1,000° above projected top of Wasatch). Centralize 5° above shoe on joint #1, top of joint #2, then every 4th joint to \pm 3,600° (400° above Wasatch top - 15 total). Thread lock shoe, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (0-500' below GL):

Air – Air Water Mist

SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

MUD PROGRAM (Continued): Production Hole Procedure (500'-TD):

200' - 1,700': Water (circulate through reserve pit). Anco-Drill sweeps for hole cleaning, Paper sweeps to seal off loss zones. Add LIME to reserve pit to keep clear.

- 1,700' 4,900': Continue as above as far as possible. Should it become necessary to trip for a bit prior to reaching TD, either slug drill pipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and re-circulate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Try to control any fluid losses if drilling on clear fluid with paper LCM. Add LIME and Gyp if needed to control alkalinities.
- 4,900' TD: Continue sweeping hole with Anco-Drill for hole cleaning. Again, should it become necessary to trip for a bit prior to reaching TD, either slug drill pipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and re-circulate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Increase Anco-Drill sweep frequency as you near TD in preparation to logging and running casing. Be alert at all times while drilling the Wasatch on water for any signs of hole sloughing (i.e. tight connections, fill, etc.). Should sloughing be detected, immediately mud up the hole. If mud-up becomes necessary to log, run casing, for hole sloughing or to control water and gas flows, mix Gel, Anco-Drill and Aqua-Pac if chloride content of mud will allow or SALT GEL and STARCH if chloride content is high. When mudding up, add 6% LCM (mixture of Cedar Fiber, Paper, Cottonseed Hulls and Sawdust) to control losses.

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).
- B. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs: BHC (Schlumberger Borehole Compensated Sonic) - Schlumberger Platform Express -

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TD to Surface

TD to Surface Casing

SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (0-500' Below GL):

Lead: 275 sx. (100% excess volume) Class 'G' cement with 2% S1 (CaCl2) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl2) in mix water, 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps via 1" tubing set at 25' if needed.

Production Hole Procedure (500' to TD):

Lead: Class 'G' lead cement with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft3/sk., 24.5 gps water.

Tail: 50:50 Poz G w/ 2% D20 (Bentonite), 10% D44 (Salt), mixed at 14.1 ppg, 1.35 cu. ft./sk., 5.0 gps water.

10. <u>ABNORMAL CONDITIONS:</u>

PRODUCTION HOLE (500'-TD)

Lost circulation, asphaltic, black oil and large Trona water flows may be encountered in the Green River, beginning at \pm 1,700°. Monitor for and report any hydrocarbon shows and/or water zones. No other offset experienced these troubles. Be alert for any flows, volume gains and/or losses. While none of **S. Chapita 1-03** immediate offsets encountered severe deviation problems, a few wells in the general region have experienced acute deviation (up to 18° inclination) beginning around 2,000°. This deviation problem has been determined to be associated with gilsonite-filled vertical faults, whose existence and extent are not able to be predicted beforehand. (Some area wells experienced an increase in hole angle to 3° from 2,000° – 4,700°, then fell back to "normal" inclination). Other wells in the general area of the **S. Chapita 1-03** (all drilled with air/mist or aerated water) reported problems with sloughing formation in the Wasatch while attempting to mud up for logs or to run casing

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11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substancés, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

OR PIT

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED. CASING FLANGE IS 11" 3000 PSIG RATED. **ROTATING HEAD** BOPE 11" 3000 PSIG TESTING PROCEDURE: FLOW LINE 1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days. 2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig. 3. Annular preventor will be tested to 50% of working pressure, 1500 psig. **ANNULAR** 4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst **PREVENTER** strength, whichever is greater. 5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams. 6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications. PIPE RAMS CHOKE MANIFOLD 2" MIN ADJUSTABLE CHOKE TO MUD/GAS SEPARATOR OR PIT **BLIND RAMS** 3" MINIMUM RATED **3000 PSIG** 2" KILL LINE 3" MINIMUM BLEED LINE TO PIT 3" DIAMETER **CASING** \FLANGE(^ 2" MINIMUM SPOOL 11" 3000 PSIG TO MUD/GAS SEPARATOR ADJUSTABLE CHOKE

EOG RESOURCES, INC. SOUTH CHAPITA #1-3 SECTION 3, T10S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 2.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHELRY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.9 MILES.

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator:

EOG Resources, Inc.

Well Name & Number: South Chapita 1-3

Lease Number:

UTU-80613

Location:

609' FSL & 589' FWL, SW/SW, Sec. 3,

T10S, R23E, S.L.B.&M., Uintah County, Utah

Surface Ownership:

Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction

of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice:

- at least twenty-four (24) hours prior to

spudding the well.

Casing String and

Cementing

- twenty-four (24) hours prior to running

casing and cementing all casing strings.

BOP and related

Equipment Tests

- twenty-four (24) hours prior to running

casing and tests.

First Production

Notice

- within five (5) business days after new

Well begins or production resumes after Well has been off production for more

than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 27.9 miles southeast of Ouray, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. Two 18" culverts will be placed in the access road.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Producing wells 8*
- B. Shut in wells -1*

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines A 3" gathering line will be buried from dehy to the edge of the location.

B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 3" OD steel above ground natural gas pipeline will be laid approximately 17,457' from proposed location to a point in the NW/SE of Section 28, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands, thus a Right-of-Way grant will be required.
- 3. Proposed pipeline will be a 3" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

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required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with a plastic liner. A felt liner will also be installed if rock is encountered during pit construction.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:

Wyoming Big Sage – 4 pounds per acre Shad Scale – 3 pounds per acre Indian Rice Grass – 3 pounds per acre Hi Crest Crested Wheat Grass – 1 pound per acre Globe Mallow – 1 pound per acre.

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil between Corners B and 5. The stockpiled location topsoil will be stored between Corners 2 and 8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a cat.

Access to the well pad will be from the EAst.

Corners #2, #6, & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. <u>DRY HOLE/ABANDONED LOCATION</u>

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal Location: Federal

12. OTHER INFORMATION

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
 - -whether the materials appear eligible for the National Register of Historic Places;
 - -the mitigation measures the operator will likely have to undertake before the site can be used.
 - -a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification

from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

X A Pond will be created by building a 6 – 10' Hi Fill and 2 High culverts in the access road to route the drainage on the access road.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter P.O. Box 1910 Vernal, UT 84078

Telephone: (435)789-4120

Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski EOG Resources, Inc.

P.O. Box 250

Big Piney, WY 83113

Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

5-28-200

Date

EOG RESOURCES, INC.

SOUTH CHAPITA #1-3 LOCATED IN UINTAH COUNTY, UTAH SECTION 3, T10S, R23E, S.L.B.&M.

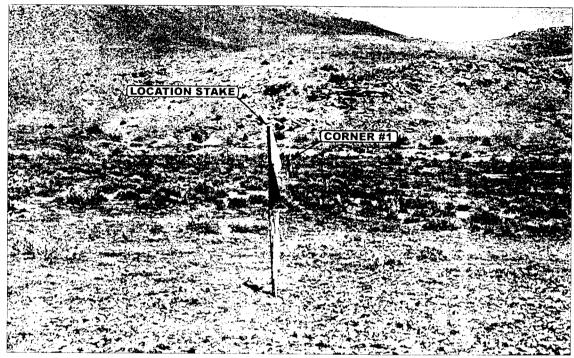


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

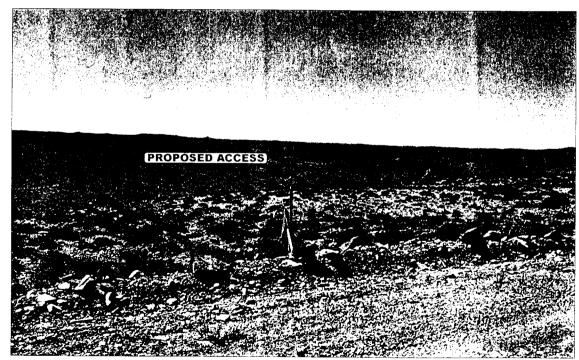


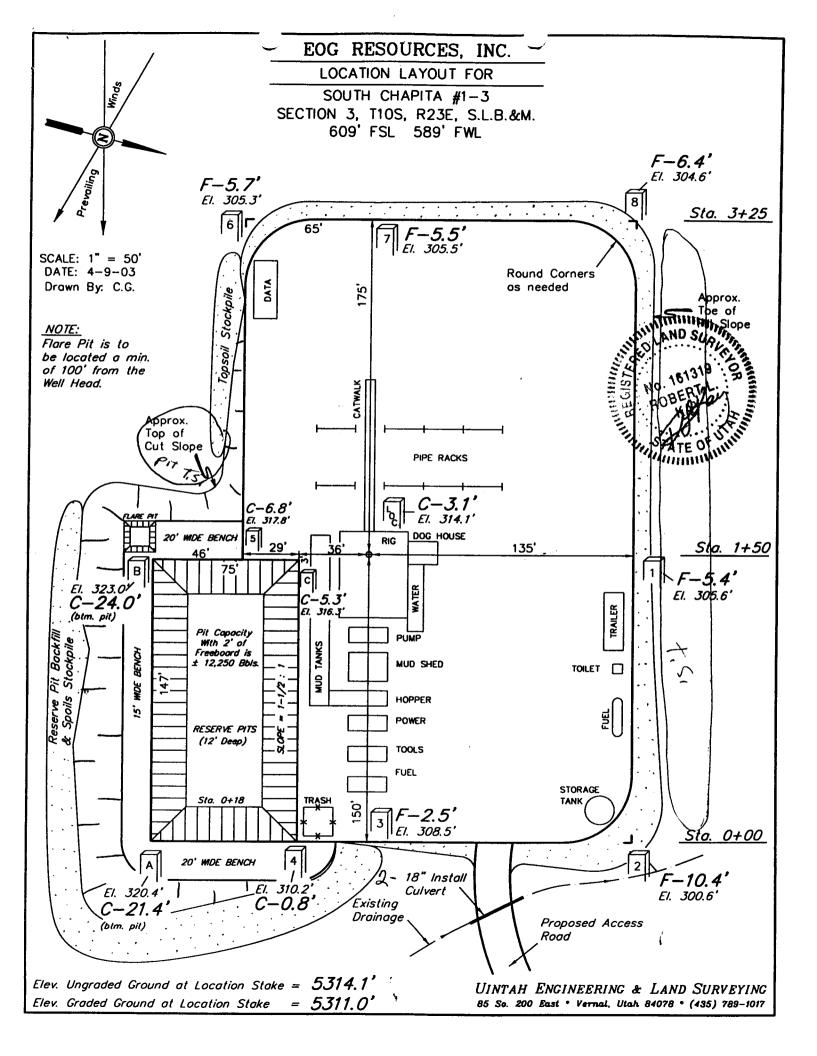
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

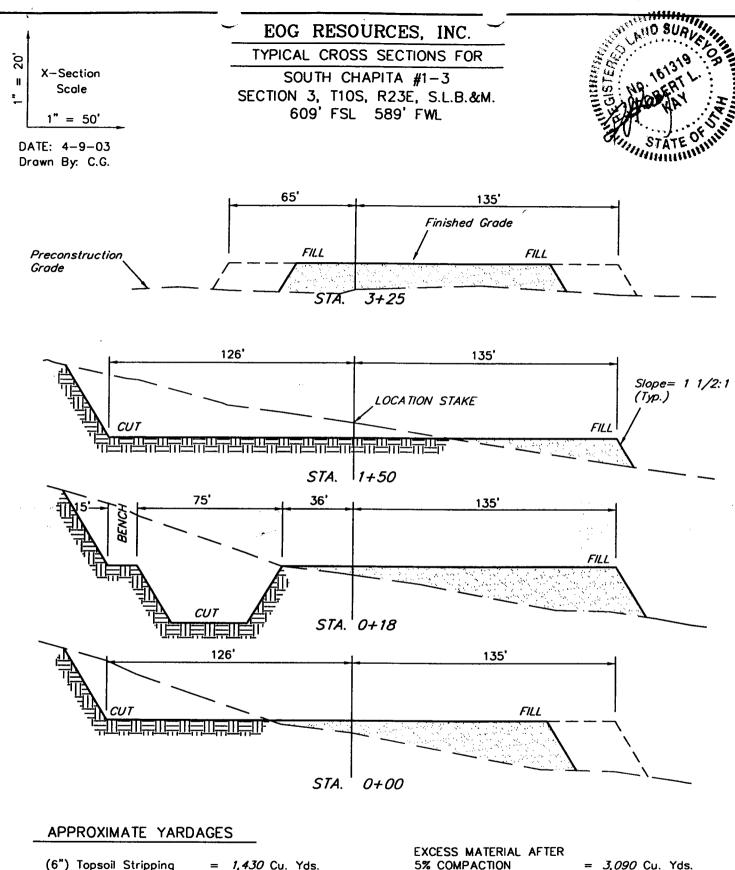
CAMERA ANGLE: SOUTHWESTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS 04 22 03 PHOTO TAKEN BY: J.F. DRAWN BY: P.M. REVISED: 00-00-00





(6") Topsoil Stripping = 1,430 Cu. Yds.

Remaining Location = 9,830 Cu. Yds.

> TOTAL CUT = 11,260 CU.YDS.

FILL = 7,760 CU.YDS., = 3,090 Cu. Yds.

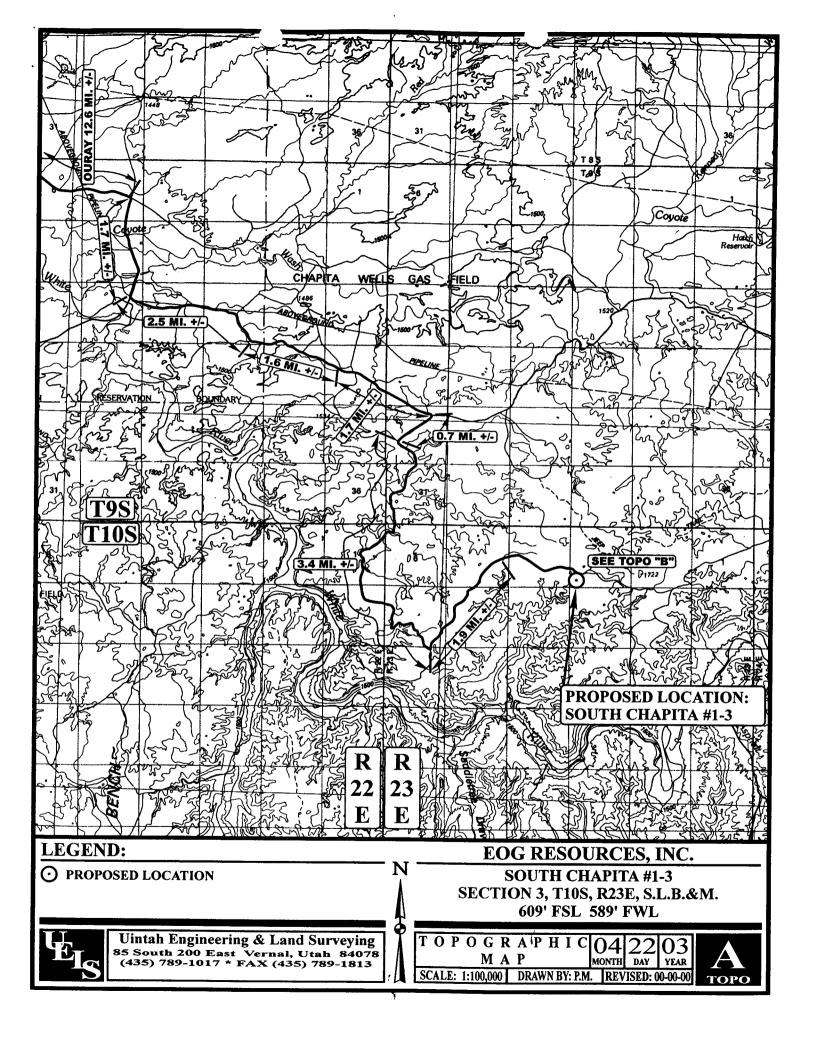
Topsoil & Pit Backfill = 3,090 Cu. Yds.

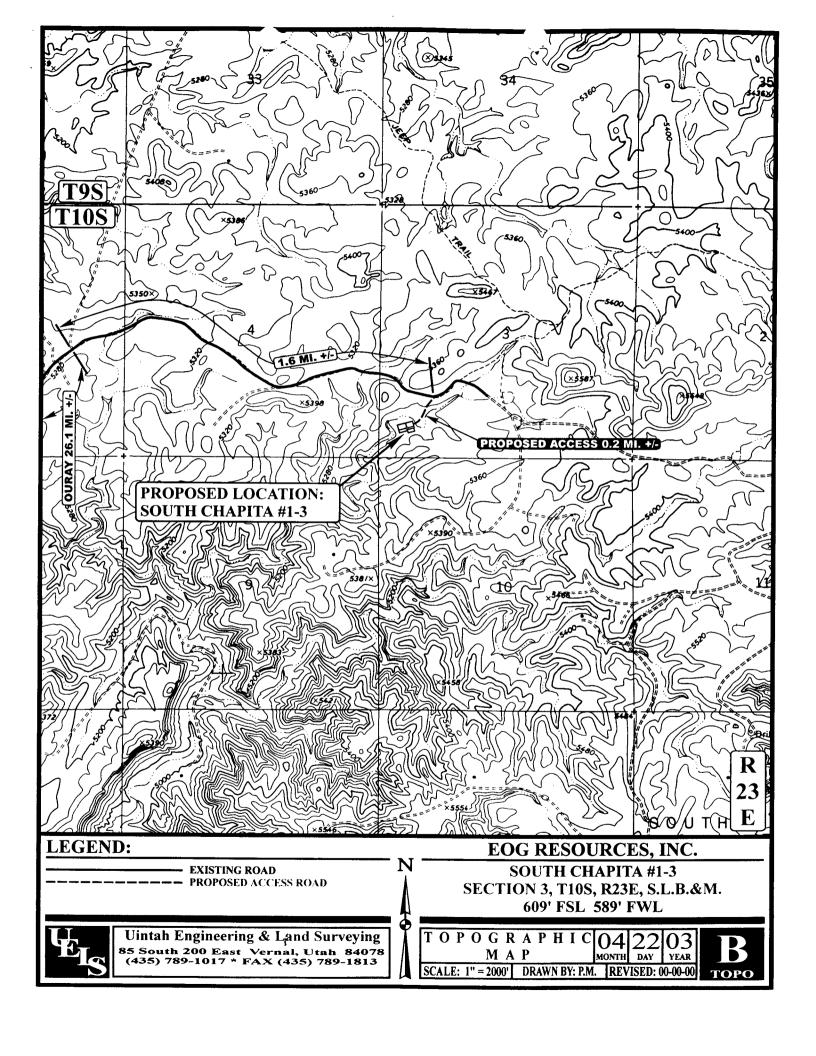
(1/2 Pit Vol.)

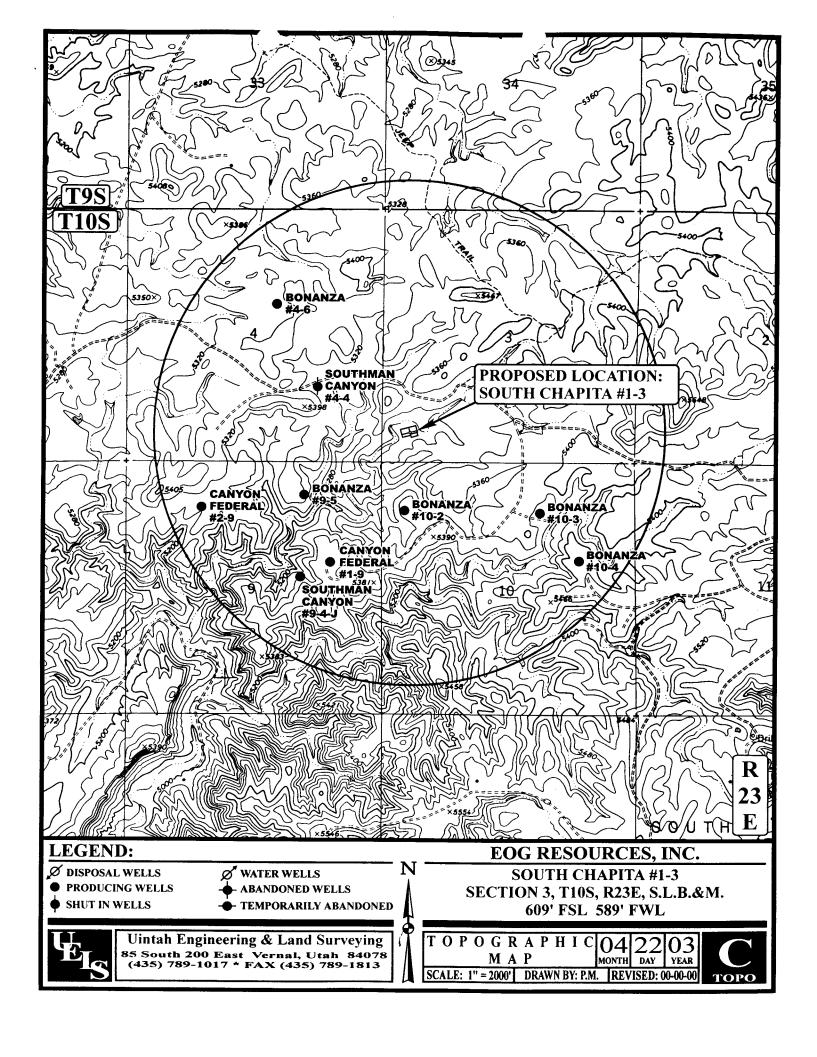
EXCESS UNBALANCE Cu. Yds.

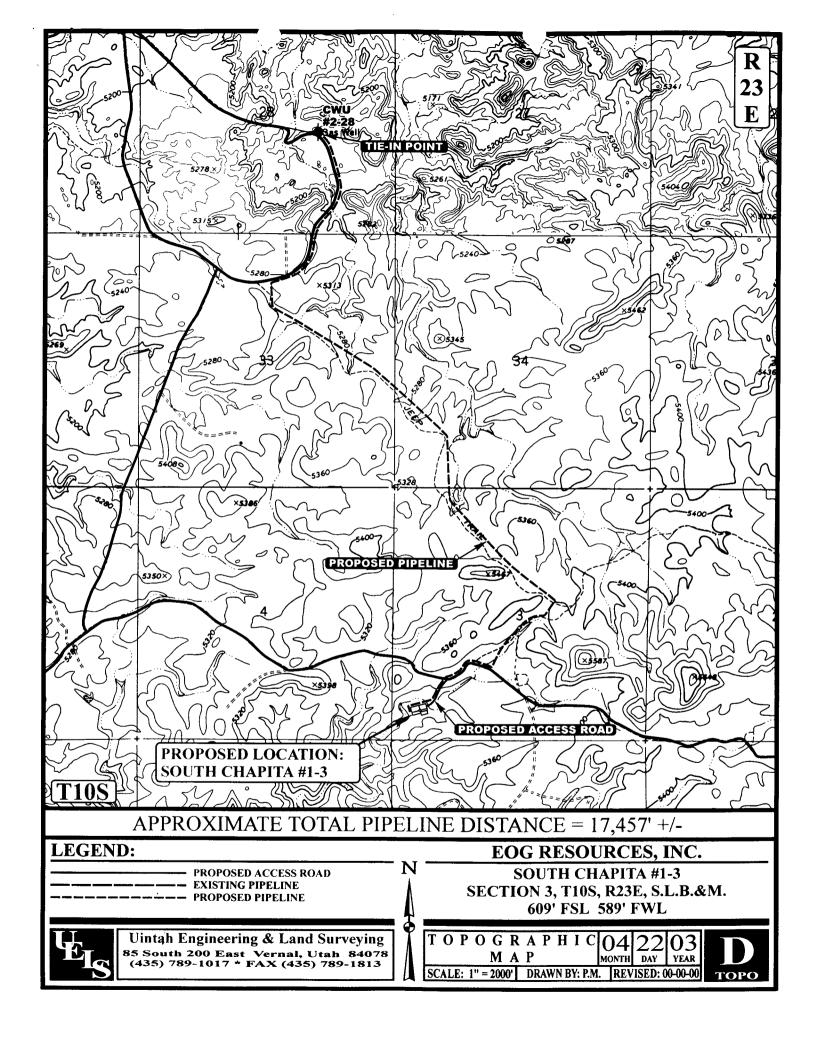
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



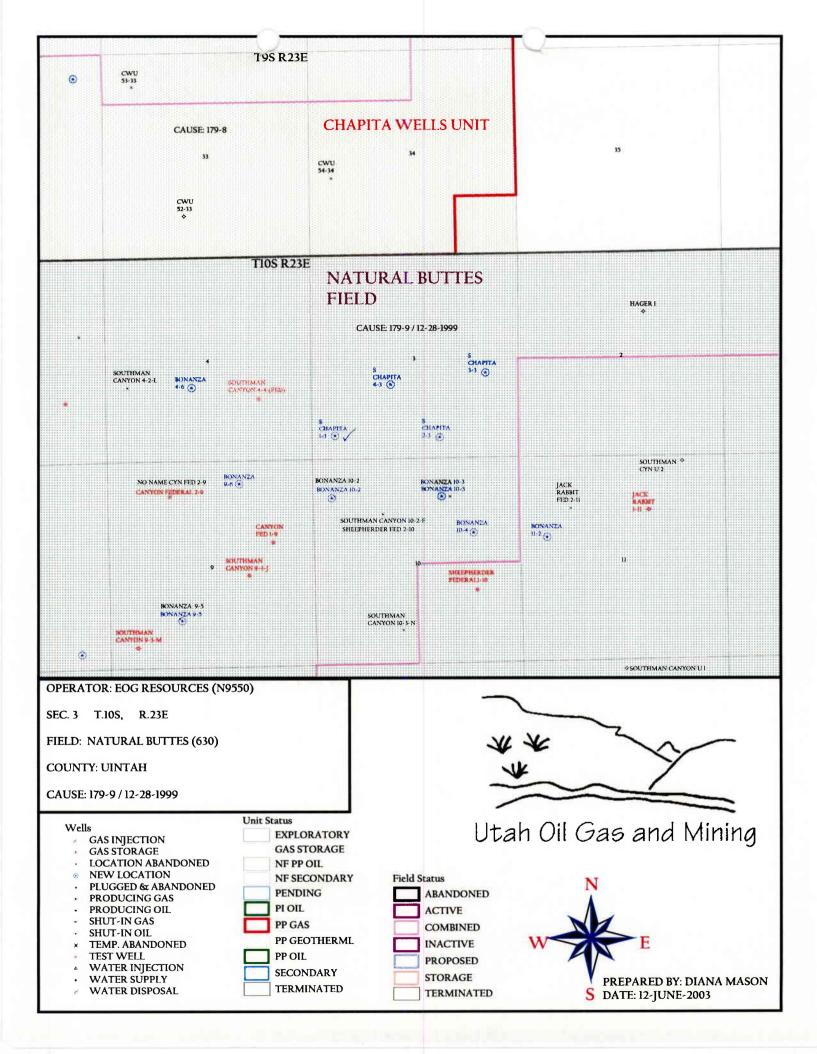






WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/04/2003	API NO. ASSIGNE	ED: 43-047-3503	30
WELL NAME: S CHAPITA 1-3 OPERATOR: EOG RESOURCES INC (N9550) CONTACT: ED TROTTER	PHONE NUMBER: 43	35-789-4120	
PROPOSED LOCATION:	INSPECT LOCATN	BY: / /	
SWSW 03 100S 230E SURFACE: 0609 FSL 0589 FWL	Tech Review	Initials	Date
BOTTOM: 0609 FSL 0589 FWL UINTAH	Engineering		
UNDESIGNATED (2)	Geology		
LEASE TYPE: 1 - Federal	Surface		
LEASE NUMBER: UTU-80613 SURFACE OWNER: 1 - Federal PROPOSED FORMATION: PRRV	LATITUDE: 39.97 LONGITUDE: 109.3		4.4
Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM 2308) Potash (Y/N) Nl Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-1501) RDCC Review (Y/N) (Date:) NM Fee Surf Agreement (Y/N)	Eff Date:	Seneral rom Qtr/Qtr & 920' Exception t No: 179-9 13-38-	Between Wells 1999 1999 1996 199
STIPULATIONS: 1- Loden D Approve	0		





Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

June 12, 2003

EOG Resources, Inc. P O Box 1910 Vernal, UT 84078

Re: South Chapita 1-3 Well, 609' FSL, 589' FWL, SW SW, Sec. 3, T. 10 South, R. 23 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35030.

Sincerely.

John R. Baza
Associate Director

pab Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	EOG R	EOG Resources, Inc.			
Well Name & Number	South Chapita 1-3				
API Number:	43-047	-35030			
Lease:	UTU-80613				
Location: SW SW	Sec. 3	T. 10 South	R. 23 East		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

ຕ້ugust 1999)

FORM	APF	'RO	/EI
01/01			

UNITED STATES OMB NO. 1004-0136 **DEPARTMENT OF THE INTERIOR** 5. Lease serial No. **BUREAU OF LAND MANAGEMENT** UTU-80613 0.05APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allottee or Tribe name 囟 DRILL REENTER 1a. TYPE OF WORK 7. If Unit or CA Agreement, Name and No. b. TYPE OF WELL Oil Well Gas Well Other Single Zone Multiple Zone ZNEBENTAL 8. Lease Name and Well No. 2. Name of Operator EOG RESOURCES, INC. 3a. Address 9. API Well No. 43.047.35030 P.O. BOX 1910, VERNAL, UT 84078 3b. Telephone Number: (435)789-4120 10. Field and pool, or Exploratory NATURAL BUTTES 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T., R., M., or BLK. And survey of area At surface SEC. 3, T10S, R23E, S.L.B.&M. SW/SW 609' FSL & 589' FWL At proposed prod. Zone 13. State 14. Distance in miles and direction from nearest town or post office* 12. County or parish **UTAH** UINTAH 27.9 MILES SOUTHEAST OF OURAY, UTAH 17. Spacing Unit dedicated to this well 16. No. of acres in lease 15. Distance from proposed location to nearest 589' property or lease line, ft. 642 (Also to nearest drig. Unit line, if any) 20. BLM/BIA Bond No. on file 19. Proposed depth 18. Distance from proposed location* to nearest well, drilling, completed, See Map C 8253 #NM 2308 or applied for, on this lease, ft. RECEIVED 22. Approx. date work will start* 23. Estimated duration 21. Elevations (show whether DF, KDB, RT, GL, etc. OCT 0 7 2003 UPON APPROVAL 5311.0 FEET GRADED GROUND DIV OF OIL, GAS & MINING 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1.	Well p	lat certified	by a	registered	surveyor
----	--------	---------------	------	------------	----------

A Drilling Plan

- A Surface Use Plan (if the location is on National Forest System lands, the SUPO shall be filed with the appropriate Forest Service Office.
- 4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- Operator certification.
- 6. Such other site specific information and/or plans as may be required by the Authorized officer.

25. Signature Rd Wietten	Name (<i>Printed/Typed</i>) Ed Trotter	May 28, 2003
Title		δ.
Agent Approved by (Signature)	Name (Printed/Typed) ENWIN I FORM	An $10/2/v3$
ACTING Mineral Resources	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the

/	The Carling		The state of the s
*(Instructions on reverse)	O O PERMINE		
*(Instructions on reverse) NOTICE OF APPROVAL //	1)/)/6///#		
10 DC 00000 M.1	10 0/11/14 5/12	07 37 9	

COAs Page 1 of 7 Well No.: BONANZA 1023-6C

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

(Company/Ope	erator	: westport Oil & Gas Company, L.P.
V	Well Name & I	Numl	per: S Chapita 1-3
A	API Number:		43.047:35030
L	_ease Numbe	r: _	UTU – 38419
L	_ocation: _LC	OT 3	(NENW) Sec. <u>D3</u> TWN: <u>10S</u> RNG: <u>23E</u>
ļ	Agreement		N/A
:			
		NC	OTIFICATION REQUIREMENTS
Location Cons	truction	-	At least forty-eight hours prior to construction of the location or access roads.
Location Comp	oletion	-	Prior to moving on the drilling rig.
Spud Notice		-	At least twenty-four (24) hours prior to spudding the well.
Casing String a	and	-	At least twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and Rela Equipment Tes		-	At least twenty-four (24) hours prior to initiating pressure tests.
First Productio	n Notice	_	Within five (5) business days after new well begins, or production resumes after well has been off production for

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

more than ninety (90) days.

COAs Page 2 of 7 Well No.: BONANZA 1023-6C

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.

A. DRILLING PROGRAM

1. <u>Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered</u>

Report <u>ALL</u> water shows and water-bearing sands encountered to John Mayers of this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a <u>3M</u> system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at 3,387 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

COAs Page 4 of 7 Well No.: BONANZA 1023-6C

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

COAs Page 5 of 7 Well No.: BONANZA 1023-6C

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman

(435) 828-7874

Petroleum Engineer

Kirk Fleetwood

(435) 828-7875

Petroleum Engineer

BLM FAX Machine (435) 781-4410

COAs Page 6 of 7 Well No.: BONANZA 1023-6C

CONDITIONS OF APPROVAL

For The Surface Use Program Of The Application For Permit To Drill

Company/Operator: Westport Oil and Gas Company, L.P.

API Number: Surface Ownership: BLM

Well Name & Number: Bonanza 1023-6C Lease Number:

UTU38419

Location:

NENW Sec. 6, T10S, R23E

Date NOS Received: 7/24/03 Date APD Received: 8/22/03

- Paint the facilities the Carlsbad Canyon color.
- Line the pit with plastic and felt.
- The seed mix for this location shall be:

Atriplex confertifolia 3 lbs./acre Shadscale 3 lbs./acre Galleta grass Hilaria iamesii 3 lbs./acre Atriplex gardneri Gardner saltbush 3 lbs./acre Crested wheatgrass Agropyron cristatum

- -All pounds are in pure live seed.
- -Reseeding may be required if first seeding is not successful.
- 4 to 6 inches of topsoil should be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding should take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

COAs Page 7 of 7 Well No.: BONANZA 1023-6C

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids.

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

Name of Comp	any: EC	OG RESOURCE	S INC	
Well Name:	S	CHAPITA 1-3		
Api No: 4	3-047-35030	Le	ase Type:	FEDERAL
Section <u>03</u>	Township10S	Range 23E	CountyI	UINTAH
Drilling Contra	ctor BILL J	RS	RIG #	AIR
Т	ime 7:00 A	M		
Drilling will	commence:			
Reported by	ED	TROTTER		
Telephone #	1-4	35-789-4120		
Date 12/2	3/2003	Signed	CHD	

P.01/01

3072763335

BI' PINEY, WY From-EOG 07:21pm Jan-05-04 STATE OF UTAH DIVISION OF OIL, GAS AND MINING **OPERATOR: EOG Resources, Inc.**

ADDRESS: P.O. BOX 250

BIG PINEY, WYOMING 83113

FAX: EARLENE RUSSELL

(801) 359-3940

N9550

	ACTION FO			WELL NAME	LOCATION	1				SPUD	EFFECTIVE
TION ODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	MET MAN	QQ	SEC.	TP	RG	COUNTY	DATE	1/8/04
4				SOUTH CHAPITA WELL 1-03	swsw	3	10\$	23E	UINTAH	12/23/20	
<u></u>	P	RRV				Τ	<u> </u>			1	1
											
	Ţ	T									
							<u> </u>		<u></u>		
						7	T				
											
	1										
			1								

ACTIONS CODES (See instructions on back of form)

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to enother existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (explain in comments section)

Use COMMENT section to explain vity each Action Gode was selected.

Signalure SR. REGULATORY ASSISTANT

1/5/2004

Phone No.

(307) 276-4833

RECEIVED

JAN 0 6 2004

DIV. OF OIL, GAS & MINING

Form 3160-5 (September 2001)

UNIT STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

DIV OIL GAS & MINING FORM APPROVED OMB No. 1004-0135 Expires: January 31, 2004

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

UTU-80613

008

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

_	· · · · · · · · · · · · · · · · · · ·		
7	If Unit or CA/Agreement	Mana	and/an NI.

SUBMIT IN TR	7. If Unit or CA	/Agreement, Name and/or No.				
1. Type of Well Oil Well Gas Well	Other	CONFIL	DENTIAL	8. Well Name a	and No.	
2. Name of Operator EOG Resources, Inc.				South Chapita 9. API Well No		
3a. AddressP.O. Box 1910, Vernal, Utah 84	078	3b. Phone No. <i>(include</i> 435-789-4120	area code)	43-047-35030 10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec. 609' FSL, 589' FWL (SW/SW) Section 3, T10S, R23E		733-767-4120		Natural Buttes 11. County or Parish, State Uintah Co., Utah		
	PROPRIATE BOX(ES) TO			EPORT, OR O	THER DATA	
TYPE OF SUBMISSION		TYI	PE OF ACTION			
□ Notice of Intent☑ Subsequent Report□ Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Fracture Treat New Construction Plug and Abandon Plug Back	Production (Start/ Reclamation Recomplete Temporarily Aba Water Disposal	ndon	Water Shut-Off Well Integrity Other Spud	
Attach the Bond under which the following completion of the inv	d Operation (clearly state all pertine ctionally or recomplete horizontally, he work will be performed or provided colved operations. If the operation re hal Abandonment Notices shall be for final inspection.	ie the Bond No. on file was sults in a multiple complete.	s and measured and true vith BLM/BIA. Require etion or recompletion in	vertical depths of d subsequent report a new interval a	all pertinent markers and zones. rts shall be filed within 30 days Form 3160-4 shall be filed once	

EOG Resources, Inc. spud 20" surface hole at the subject location on 12/23/03 @ 7 AM. The contractor was Bill Jr's Air Drilling. Ed Forsman of the Vernal Blm office and Carol Daniels of the Utah Division of Oil, Gas, & Mining were notified of spud 12/23/03.

> RECEIVED JAN 1 2 2004

14. 1 hereby certify that the foregoing is true and correct Name (PrintedlTyped)		DIV. OF OIL, GAS & MINING					
	Title Division Production Manager						
Signature Mules	Date 12/23/03						
PHIS SPACE FOR FEDERA	L OR STATE OFFICE US						
Approved by (Signature)	Name (Printed/Typed)	Title					
Conditions of approval, if any, are attached. Approval of this notice does not warrecrify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.	ant or lease Office	Date					

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

determined that the site is ready for final inspection.)

Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 20
Lagga Carial Ma

5. Lease Serial No. UTU 80613

011

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use form 3160-3 (APD) for such proposals.

abandoned we		6. If Indian, Allottee or	Tribe Name						
SUBMIT IN TRI	PLICATE - Other instruc	tions on rev	erse side.		7. If Unit or CA/Agree	ment, Name and/or No.			
Type of Well	ner				8. Well Name and No. SOUTH CHAPITA 1-3				
2. Name of Operator EOG RESOURCES, INC	Contact:	ALFREDA SO E-Mail: alfreda	CHULZ _schulz@eogres	sources.com	9. API Well No. 43-047-35030				
3a. Address P. O. BOX 250 BIG PINEY, WY 83113		(include area cod 6.4833	le)	10. Field and Pool, or Exploratory NATURAL BUTTES					
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description,)			11. County or Parish, a	nd State			
Sec 3 T10S R23E SWSW 609FSL 589FWL 39.97241 N Lat, 109.31975 W Lon UINTAH COUNTY, UT									
12. CHECK APPI	ROPRIATE BOX(ES) TO) INDICATE	NATURE OF	NOTICE, R	EPORT, OR OTHER	R DATA			
TYPE OF SUBMISSION			TYPE	OF ACTION					
Notice of Intent	☐ Acidize	☐ Deep	oen	☐ Product	ion (Start/Resume)	□ Water Shut-Off			
_	☐ Alter Casing	☐ Frac	ture Treat	☐ Reclam	ation	□ Well Integrity			
☐ Subsequent Report	□ Casing Repair	□ New	Construction	□ Recomp	olete	Other			
☐ Final Abandonment Notice	☐ Change Plans	Plug	and Abandon	☐ Tempor	arily Abandon				
	☐ Convert to Injection	Plug	Back	Water I	Disposal	posal			
following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) EOG Resources, Inc requests authorization for disposal of produced water from the referenced well to any of the following locations. 1. Natural Buttes Unit 21-20B SWD. 2. Ace Disposal. 3. EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit). 4. RN Industries. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY									
14. I hereby certify that the foregoing is	Electronic Submission #	27777 verified RESOURCES,	by the BLM Wo	ell Information e Vernal	System				
Name (Printed/Typed) ALFREDA	SCHULZ		Title AUTH	ORIZED REF	PRESENTATIVE				
Signature (Electronic S	Submission)		Date 02/11/	2004					
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE U	SE				
Approved By			Title			Date			
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conductive to conduct the conductive the applicant to conduct the conductive the applicant to conduct the conductive the applicant to conduct the conductive the condu	itable title to those rights in the		Office			•			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a	crime for any pe to any matter wi	rson knowingly ar	nd willfully to m	ake to any department or a	gency of the United			

Form 3160-4 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: November 30, 2000

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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

,	AAETT	. COMP	LEHON	OR R	ECO	MPLE	ETION	REPO	RT A	ND LC	OG		5. L	case Seria	l No.	
la. Type	of Well	Oil Wel	1 5 7 Co	s Well		Desi								UTU 8061		
	of Completic		New Well	wen We		•	☐ Other ☐ Deeper		DI D		- n·« -		6. I	f Indian, A	llottee	or Tribe Name
			ner			, cı (1 🔟	Plug B	ack [Diff. F	lesvr.	7. L	Init or CA	Agreen	nent Name and No.
2. Name EOG	of Operator RESOURC	ES, INC				Contac	t: ALFRE E-Mail	DA SC	HULZ schu	ılz@eog	resource	es com	8. L	case Name SOUTH C	and W	'ell No.
3. Addres		OX 250 IEY, WY	83113				3		e No. (include a				PI Well N		
4. Location	on of Well (F	Report loca	tion clearly	and in ac	cordar	nce with	Federal r	equireme	ents)*			·····	10.	Field and F	Pool, or	43-047-35030 Exploratory
At sur			L 589FWL											<u>NATURAL</u>	. BUTT	ES/MESAVERDE Block and Survey
At top	prod interva									.31029 \	W Lon		0	r Arca Se	ec 3 T1	0S R23E Mer SLB
At tota		WSW 609	FSL 589FV				09.3102						J	County or I		13. State UT
12/23	/2003			Date T.D. 1/10/200		hed			Date Co) & A 2/03/2	mpleted Re 004	ady to P	rod.	17.]		(DF, K 329 KB	B, RT, GL)*
18. Total	•	MD TVD	832 832	r <i>5</i>	l	-	ck T.D.:	MD TVI		8283		20. Dep	th Bri	dge Plug S		MD TVD
21. Type PLAT	Electric & O	ther Mecha RESS, DI	nical Logs POLE SON	Run (Sub IIC, CBL	mit co	py of c	ich)			2	2. Was v	vell cored	1?	⊠ No ⊠ No	O Yes	s (Submit analysis) s (Submit analysis)
	and Liner Re											ional Sur		⊠ No	Yes	s (Submit analysis)
Hole Size		Grade	Wt. (#/ft.)	To	Р	Botto		e Cemen		No. of S		Slurry	Vol.	Cement	Ton*	Amount Pulled
12.25	0 9	9.625 J55	36.0	(MI	<i>)</i>) 0	(ME	714	Depth	 -	Type of C	Cement 630	(BB	L)	Comon	ТОР	Amount Pulled
7.87		.500 N80	11.0		0		325				1400					
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	<u> </u>															
				-	_		{									
24. Tubin	Record			L												
Size	Depth Set (1	MD) P	acker Depth	(MD)	Siz	e Tr	Depth Set	(MD)	Doole	an Daniel	<u>am</u> T		T_			
2.375		7987	иског Вери	(IVID)	SIZ		epui set i	(MD)	Pack	er Depth	(MD)	Size	De	pth Set (M	D)	Packer Depth (MD)
25. Produc	ing Intervals						26. Perfo	ration Re	ecord			·	<u> </u>			
F	ormation		Тор		Bott	tom		Perforate	ed Inte	rval		Size	IN	o. Holes		Perf. Status
A)	MESAV	ERDE		6603		7978			78	384 TO 7	978				2 SPF	
B)									76	27 TO 7	803				2 SPF	
C)										378 TO 7					2 SPF	
D) 27. Acid. F	racture, Trea	tment Cen	ent Saucez	e Etc					71	163 TO 7	325		_i		2 SPF	
	Depth Interv		Jen Squeez	c, Etc.					A	170	C) (-RE	ECE	IVED.
			78 1189 BI	BLS GELI	ED W	ATER 8	169.237#			nt and Ty	pe of Ma	terial				
			03 1184 BI											MA	R 1	0 2004
	73	378 TO 75	84 1227 BI	BLS GELL	.ED W	ATER 8	179,556#	20/40 S	AND							
28. Product	71 tion - Interval		25 1204 BI	BLS GELL	ED W	ATER 8	170,045#	20/40 S	AND					DIV. OF	OIL, G	AS & MINING
Date First	Test	Hours	Test	Oil	G	15	Water	Ioa	Gravity		Gas					
Produced 02/03/2004	Date 02/12/2004	Tested	Production	BBL		CF	BBL	Cor	r. API		Gravity	ľ		n Method		
Choke	02/13/2004 Tbg. Press.	Csg.	24 Hr.	O.0	-	395.0	80.0							FLOW	/S FRO	M WELL
lize	Flwg. 870	Press.	Rate	BBL	Ga M	CF	Water BBL	Gas Rat	i:Oil io		Well Stat	us		•		
12/64	stion - Interva	1300.0		0		395	80				PG	W		CC1	VEIO	<u> </u>
Date First	Test	Hours	Test	Oil	16		Inve	la:			1				⊇EI.	ion
roduced	Date	Tested	Production	BBL	Ga Mo		Water BBL		Gravity r. API		Gas Gravity	P	roductio	n Method E	XPI	RED
'hoke	The Drive	Cr		0.1	4	,,,	<u> </u>	_						CN		3-05
ize	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Ga M		Water BBL	Gas Rati			Well State	ıs				
	SI		$\Box \geq$												· engan	

MARILENTIAL

	uction - Inter	val C										
Date First	Test	Hours	Test	Oil	Gas	Water	Oil Gravity	I _G	as	Production Method		
Produced	Date	Tested	Production	BBL	MCF	BBL	Corr. API		ravity	roduction (vietnog		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	w	eli Status			
28c. Prodi	uction - Inter	val D		<u>i</u>	_i							·
Date First	Test	Hours	Test	Oil	Gas	Water	Oil Gravity	G	as	Production Method		
Produced	Date	Tested	Production	BBL	MCF	BBL	Соп. АРІ	Gı	ravity			
Choke Size	Tbg. Press. Flwg. S1	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	W	ell Status			
29. Dispos SOLD		(Sold, used	for fuel, vent	ed, etc.)								
30. Summ	ary of Porou	s Zones (In	clude Aquife	rs):					31. For	mation (Log) Ma	irkers	
tests, ii	all important including dep coveries.	zones of p th interval	orosity and cotested, cushic	ontents the on used, tin	reof: Corec ne tool ope	l intervals an n, flowing a	d all drill-stem nd shut-in pressu	res				
	Formation		Тор	Bottom		Descript	ions, Contents, e	tc.		Name		Top Meas. Depth
MESAVER	RDE		6603	7978			·		WA	SATCH		4034
									ISL ME	RTH HORN AND SAVERDE ODLE PRICE		5999 6258 6571 7099
					- [WER PRICE GO		7615 8073
				1					CA	STLE GATE		8291
										/_CA /_BA		4586 5180
					İ							İ
			j									
												İ
32. Addition	onal remarks SED FROM	(include pl	ugging proce	dure): # 27919 -	Completic	on date cha	naed /aa	's allow	8 for D	c1/_41		
Perfora Lower Perfora 7679-8 Perfora	rated the Lorente Price formated the Lorente 81', 7722-23 rated the Mic	wer Price ation @ 78 wer Price 3', 7768-69 ddle Price	formation fro 884-85 , 788 formation fro 9', 7778-79'	om 7908-1 9-90 ,7930 om 7627-2 & 7802-03 om 7378-8	0' w/3 SP)-31 , 793 8', 7644-4 ' @ 2 SPI	F. (Perf Or 7-38 , 7968 15', 7657-58	nly) Perforated	the	•	vonj		
33. Circle	enclosed atta	chments:										
			(I full set red	q'd.)		2. Geologi	c Report	í	3. DST Rep	ort	4. Direction	nal Survey
5. Sun	dry Notice fo	or plugging	and cement	verification		6. Core Ar	nalysis		7 Other:			2
34 I hereb	v certify that	the forego	ing and attacl	and informa	tion is ser	unlete and a	erroot on determine	and from -	ll avail-Li-	records (see attac	1-1:	
54. I notoo	y certify that	the forego		onic Subn	ission #28	3643 Verifie	d by the BLM V S, INC, sent to	Vell Infor	mation Sys		cned instructio	ns):
Name ((please print)	ALFRED	A SCHULZ				Title	SR. REG	ULATORY	ASSISTANT		
Signatu	are	(Electron	ic Submissio	on)			Date (03/08/200)4			

Additional data for transaction #28643 that would not fit on the form

26. Perforation Record, continued

Perf Interval 6919 TO 7097

Size

No. Holes

Perf Status

2 SPF

27. Acid, Fracture, Treatment, Cement Squeeze, etc., continued

Depth Interval 6919 TO 7097

Amount and Type of Material 1196 BBLS GELLED WATER & 170,054# 20/40 SAND

32. Additional remarks, continued

Perforated the Lower Price River from 7163-64', 7173-74', 7201-02', 7214-15', 7243-44', 7252-53', 7269-71', 7307-08', 7323-25' @ 2 SPF. Perforated the Middle Price River from 6919-20', 6958-59', 6973-74', 6992-94', 7020-21', 7056-57', 7078-79', 7084-85', 7096-97' @ 2 SPF. Perforated the Upper Price River from 6603-05', 6661-62', 6708-10', 6726-27', 6737-38', 6794-95', 6816-19' @ 2 SPF. Fracture stimulated w/1404 bbls gelled water & 221,609# 20/40 sand. Flowing through Questar Sales Meter # 5944. Two (2) 400 bbls tanks # 80182V & 80183V on location.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES 5. LEASE DESIGNATION AND SERIAL NUMBER: DIVISION OF OIL. GAS AND MINING 010 UTU-80613 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 8. WELL NAME and NUMBER: 1. TYPE OF WELL GAS WELL 🔽 OIL WELL OTHER **SOUTH CHAPITA 1-3** 9. API NUMBER: 2. NAME OF OPERATOR: 4304735030 EOG RESOURCES, INC. PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT: 3 ADDRESS OF OPERATOR: **NATURAL BUTTES** CITY VERNAL STATE UT ZIP 84078 (435) 789-4120 P.O. BOX 1910 4. LOCATION OF WELL COUNTY: UINTAH FOOTAGES AT SURFACE: 609' FSL, 589' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 3 108 23E S STATE: UTAH CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF SUBMISSION TYPE OF ACTION DEEPEN REPERFORATE CURRENT FORMATION ACIDIZE \mathbf{Z} NOTICE OF INTENT FRACTURE TREAT SIDETRACK TO REPAIR WELL ALTER CASING (Submit in Duplicate) TEMPORARILY ABANDON NEW CONSTRUCTION Approximate date work will start: CASING REPAIR **TUBING REPAIR** CHANGE TO PREVIOUS PLANS OPERATOR CHANGE 7 CHANGE TUBING PLUG AND ABANDON VENT OR FLARE WATER DISPOSAL SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only) CHANGE WELL STATUS PRODUCTION (START/RESUME) WATER SHUT-OFF Date of work completion: RECLAMATION OF WELL SITE COMMINGLE PRODUCING FORMATIONS OTHER: **RECOMPLETE - DIFFERENT FORMATION** CONVERT WELL TYPE 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. See attached documents for changes in the drilling plan Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY Agent NAME (PLEASE PRINT) 11/10/2003 SIGNATURE

RECEIVED

NOV 1 3 2003

(This space for State use only)

SOUTH CHAPITA 1-3 SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Wasatch	4148
Island	6378
KMV Price River	6628
KMV Price River Middle	7077
KMV Price River Lower	7726
Bit Trip Sego	8093
Sego	8153

EST. TD: 8253

Anticipated BHP 3600 PSI

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

									Y FACTUR
<u>HOLE SIZ</u>	E INTERVAL	LENGTH	<u>SIZE</u>	WEIGHT	GRADE	THREAD	COLLAPS	SE BURST	TENSILE
17 ½"	0' - 250' <u>+</u>	250'±	13 3/8"	48.0#	H-40	ST&C	770 PSI	1730 PSI	322,000#
12 ¼"	250' - 2500'±	2500' <u>+</u>	9 5/8	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2500' - 8253'	8253'	4 1/2	11.60#	N-80	LT&C	6350 PSI	7780 PSI	223,000#

If conductor drive pipe is used, it will be left in place if its total length is less than 20 feet below the surface. If the total length of the drive pipe is equal to or greater than 20 feet, it will be pulled prior to cementing surface casing, or it will be cemented in place. The minimum diameter of the conductor drive pipe will be 13 3/8".

The 12 1/4" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 5/8" casing will be set to that depth. Actual setting depth of the 9 5/8" casing may be less than 2500' in this well.

All casing will be new or inspected.

5. Float Equipment:

SURFACE HOLE PROCEDURE (0-250' Below GL):

Guide Shoe

Insert Baffle

Wooden wiper plug

Centralizers: 1 - 5 - 10' above shoe, every collar for next 3 joints (4 total).

Have bottom of first collar tack-welded, guide shoe and top of first collar thread-locked.

RECEIVED

NOV 1 3 2003

SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

Float Equipment (Continued):

INTERMEDIATE HOLE PROCEDURE (250-2500'):

Guide Shoe

Insert Float Collar (PDC drillable)

Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total) Have bottom of collar on jt. #1 tack-welded, thread-lock guide shoe and top of jt. #1.

PRODUCTION HOLE PROCEDURE (2500-TD'):

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at \pm 6,468 (Top of Price River) and \pm 3,600 (400' above the Wasatch) (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to 400' above Island top (50 total). Thread lock FS, top and bottom of FC, and top of 2^{nd} joint.

6. MUD PROGRAM:

SURFACE HOLE PROCEDURE (0-250' Below GL):

Air – Air Water Mist

INTERMEDIATE HOLE PROCEDURE (250-2500')

Water (circulate through reserve pit) with Gel/LCM sweeps.

PRODUCTION HOLE PROCEDURE (2500'-TD'):

2700'- 4500' Water (circulate through reserve pit) with Gel/LCM sweeps.

- 4500'- 6900' Close in mud system. "Mud up" with 6.0 ppb Diammonium Phosphate (DAP). Drill with DAP water, POLYPLUS for viscosity and hole cleaning, adding KLA-GARD B for supplemental inhibition. Also sweep hole periodically w/ Durogel / LCM sweeps to clean the hole and seal loss zones. Add additional LCM as hole dictates. Mud weight and vis as needed, water loss no control.
- 6900'- TD Discontinue KLA-GARD B. Utilize POLYPAC-R for fluid loss control. Maintain <u>5.5</u> <u>ppb</u> DAP. <u>Do not mix caustic or lime.</u> Maintain 7.5-8.5 pH. Weight up system and add vis as hole conditions require. Run LCM sweep periodically to seal off loss zones or more often as hole dictates. Water loss: 20 cc's maximum. Expect increasing gas shows requiring heavier mud weights from top of Island onward. Treat CO₂ contamination with DESCO CF and OSIL (Oxygen scavenger) if mud properties dictate.

SOUTH CHAPITA 1-3 SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs: Schlumberger Platform Express TD – Surface Casing, with Di-pole Sonic from TD to surface in 1 run.

9. CEMENT PROGRAM:

SURFACE HOLE PROCEDURE (0-250' Below GL):

Lead: 300 sks (100% excess volume) Class 'G' cement with 2% S1 (CaCl2) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft³./sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl2) in mix water, 15.8 ppg, 1.16 ft³./sk., 4.95 gps via 1" tubing set at 25' if needed.

INTERMEDIATE HOLE PROCEDURE (250-2500'):

Lead: 85 sks: (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft3/sk., 24.5 gps water.

Tail: 290 sks: (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl2) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft3/sk., 7.9 gps water.

PRODUCTION HOLE (2500-TD')

Lead: 110 sks 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 cu. ft./sk., 9.06 gps water

Tail: 90 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 cu. ft./sk., 5.9 gps water.

SW/SW, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

INTERMEDIATE HOLE (250' Below GL - 2,500'):

Potential Problems: Lost circulation below 1800'

PRODUCTION HOLE (2500-TD')

Potential Problems: Sloughing shales and key seat development are possible in the Wasatch Formation. CO₂ contamination in the mud is possible in the Price River (Mesa Verde).

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

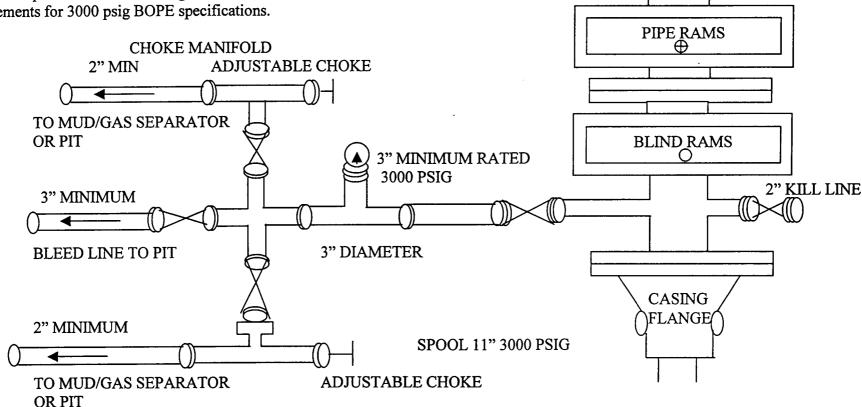
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED. CASING FLANGE IS 11" 3000 PSIG RATED. BOPE 11" 3000 PSIG

TESTING PROCEDURE:

- 1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
- 2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
- 3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
- 4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
- 5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
- 6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



ROTATING HEAD

FLOW LINE

ANNULAR

PREVENTER

Seog resources

February 3, 2005

Utah Division of Oil, Gas, & Mining 1594 West North Temple. Vernal, UT 84078 600 Seventeenth Street Suite 1100N Denver, CO 80202 (303) 572-9000 Fax: (303) 824-5400

43-049-35030

EOG Resources, Inc.

FFB 0 9 2005

DIV. OF OIL, GAS & MINING

RE: S. Chapita 1-03

T10S-R23E-Sec. 03 S. Chapita 6-03 and

S. Chapita 8-03

T10S-R23E-Sec. 03 and Uintah County, Utah

Ms.Carol Daniels:

Enclosed herewith are the following logs and data associated with the subject well:

S. Chapita 1-03

Repeat Formation Tester 01-12-04 (1)

Array Induction W/Linear Correlation GR 01-11-04 (1)

Compensated Neutron Three Detector Lithodensity GR 01-11-04 (1)

Microlog 01-11-04 (1)

S. Chapita 6-03

Cement Bond Log Gammy Ray/CCL 03-09-04 (1)

RST Log Gamma Ray Collars 03-09-04 (1)

Compensated Neutron Casing Collar Locator GR 03-09-047 (1)

S. Chapita 8-03

Cement Bond Log Gammy Ray/CCL 03-20-04 (1)

RST Log Gamma Ray Collars 03-20-04 (1)

If you have any questions, please do not hesitate to contact me.

Very truly yours,

EOG RESOURCES, INC.

Delores Montoya

Exploration & Operations Secretary

Denver Office

Enc.8

cc: Well File

Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

Lease Serial No.	
UTU-80613	

SUNDRY NOTICES AND RE	UTU-80613	
Do not use this form for proposals abandoned well. Use Form 3160 - 3	to drill or to re-enter an (APD) for such proposals.	6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE- Other ins	tructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well Gas Well Other		8. Well Name and No. South Chapita 1-03
2. Name of Operator EOG Resources, Inc.		9. API Well No.
3a. Address	3a. Address 3b. Phone No. (include area code)	
600 17th St., Suite 1000N, Denver, CO 80202	303-824-5526	10. Field and Pool, or Exploratory Area Natural Buttes
4. Location of Well (Footage, Sec., T., R., M., or Survey Description,	•	11. County or Parish, State
SWSW, SECTION 3, T10S, R23E 609 FSL, 589 FWL, 39.97248 LAT, 109.31986 LON		Uintah County, Utah
12. CHECK APPROPRIATE BOX(ES) T	O INDICATE NATURE OF NOTICE,	REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Acidize ☐ Notice of Intent ☐ Alter Casing ☐ Casing Repair	Deepen Production (S Reclamation New Construction Recomplete	Well Integrity ✓ Other Pit reclamation
Final Abandonment Notice Change Plans	Plug and Abandon Temporarily A	
Convert to Injection		
13. Describe Proposed or Completed Operation (clearly state all per lf the proposal is to deepen directionally or recomplete horizont Attach the Bond under which the work will be performed or pro- following completion of the involved operations. If the operation testing has been completed. Final Abandonment Notices shall the determined that the site is ready for final inspection.)	ally, give subsurface locations and measured and to ovide the Bond No. on file with BLM/BIA. Requion results in a multiple completion or recompletion	rue vertical depths of all pertinent markers and zones. ired subsequent reports shall be filed within 30 days n in a new interval, a Form 3160-4 shall be filed once
The reserve pit for the referenced location was closed	on 12/27/2005 as per the APD procedure.	
EOG Resources, Inc. operates under Nationwide Bond	Accepted by Utah Division	on of

FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)			
Mary Maestas	litte	Operations Clerk	
Signature Mary May an	Date	04/26/2006	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved by		Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject less which would entitle the applicant to conduct operations thereon.	nt or ase	Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to anymatter	person r within	knowingly and willfully to make to a its jurisdiction.	any department or agency of the United

(Instructions on page 2)

 $\mathcal{V}^{(i)} = \mathcal{V}^{(i)} (\mathcal{A}_{i+1}, \dots, \mathcal{A}_{i+1}) = \mathcal{A}_{i+1} = \mathcal{A}_{i+1}$

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-80613	
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
	sals to drill new wells, significantly deepen gged wells, or to drill horizontal laterals. U		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: S CHAPITA 1-3
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047350300000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	I, UT, 84078 435 781-91	PHONE NUMBER: 111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0609 FSL 0589 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWSW Section: 03	P, RANGE, MERIDIAN: Township: 10.0S Range: 23.0E Meridian:	S	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
✓ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE ☐ CHANGE TO PREVIOUS PLANS	☐ ALTER CASING ☐ CHANGE TUBING	☐ CASING REPAIR ☐ CHANGE WELL NAME
1/19/2010	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	☐ OPERATOR CHANGE	FRACTURE TREAT PLUG AND ABANDON	□ NEW CONSTRUCTION□ PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	✓ RECOMPLETE DIFFERENT FORMATION
Date of Spud:	☐ TUBING REPAIR	SIDETRACK TO REPAIR WELL VENT OR FLARE	
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. EOG Resources, Inc. respectfully requests authorization to Recomplete the referenced well as per the attached procedure. Accepted by the Utah Division of Oil, Gas and Mining Date: January 25, 2010 By:			
NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk	
SIGNATURE N/A		DATE 1/19/2010	



The Utah Division of Oil, Gas, and Mining

- State of UtahDepartment of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047350300000 Authorization: Cause No. 179-14.

> Appropried by the **Utah Division of** Oil, Gas and Mining

RECOMPLETION PROGRAM SCW 1-03

SCW 1-03 609' FSL & 589' FWL (SW/SW) Section 3, T10S, R23E Uintah County, Utah January 14, 2010 EOG WI: 100% NRI: 87.5% API# 43-047-35030 AFE# 310033

WELL DATA:

ELEVATION: 5,311' GL KB: 5,329' (18' KB)

TOTAL DEPTH: 8,325' KB PBTD: 8,283' KB (Top of FC)

CASING: 9-5/8", 36#, J-55 STC set @ 1,720'. Cemented w/ 120 sx

Class "G" cement. Top out w/ 510 sxs cmt in 3 stages.

Cement to surface.

 $\frac{4-1/2"}{1}$, 11.6#, N-80 set @ 8,325'. Cemented w/ 200 sx HiLift 35/65 Pozmix "G" & 1,200 sx 50/50 Pozmix "G". Bumped plug, float held. Full Returns. Marker joint tops @ 6,139' (20.5') and 3,747' (22'). Cement Top est. @ 2,400'.

Twin N/A

EXISTING PERFS	SPF/Phasing	INTERVAL	FRAC #
7884-7885', 7889-7890', 7908-7910', 7930-7931', 7937-7938', 7968-7970', 7976-7978'	2/180°	Lower Price River	1
7627-7628', 7644-7645', 7657-7658', 7667-7668', 7679-7681', 7722-7723', 7768-7769', 7778-7779', 7802-7803'	2/180°	Lower Price River	2
7378-7380', 7425-7427', 7466-7468', 7492-7493', 7536-7537', 7543-7545', 7556-7557', 7583-7584'	2/180°	Middle Price River	3
7163-7164', 7173-7174', 7201-7202', 7214-7215', 7243-7244', 7252-7253', 7269-7271', 7307-7308', 7323-7325'	2/180°	Middle Price River	4
6919-6920', 6958-6959', 6973-6974', 6992-6994', 7020-7021', 7056-7057', 7078-7079', 7084-7085', 7096-7097'	2/180°	Upper Price River	5
6603-6605', 6661-6662', 6708-6710', 6726-6727', 6737-6738', 6794-6795', 6816-6819'	2/180°	Upper Price River	6

PROPOSED PERFS	SPF/Phasing	INTERVAL	FRAC #
6387-6388', 6400-6401', 6405-6406', 6414-6415', 6457-6458', 6462-6463', 6478-6479', 6483-6484', 6514-6515', 6518-6519', 6522-6523', 6559-6560', 6564-6565'	2/180°	Upper Price River	7
6103-6104', 6109-6110', 6113-6114', 6172-6173', 6181-6182', 6213-6214', 6241-6242', 6266-6267', 6287-6288', 6321-6322', 6324-6325', 6328-6329'	2/180°	Upper Price River	8

RECOMPLETION PROGRAM SCW 1-03

5796-5797', 5804-5805', 5810-5811', 5828-5829', 5852-5853', 5866-5867', 5898-5899', 5956-5957', 6010-6011', 6016-6017', 6023-6024', 6040-6041', 6053-6054', 6060-6061'	2/180°	North Horn/Upper Price River	9
5370-5371', 5383-5384', 5397-5398', 5401-5402', 5411-5412', 5416-5417', 5471-5472', 5501-5502', 5510-5511', 5548-5549', 5570-5571', 5632-5633', 5687-5688', 5693-5694'	2/180°	Ва	10

PROCEDURE:

- 1. MIRUSU. Kill well w/treated water. ND tree. NU 10M psig BOPE. PU 3-7/8" bit, 4-1/2" casing scraper, & 2-3/8" 4.7# N-80 EUE tubing. RIH to PBTD. POH.
- 2. RUWL. Set 10K CFP @ 6,615'. RDWL.
- 3. Test casing & BOPE to **6,500** psig. RUWL. Perforate **Upper Price River** intervals from **6,387'-6,565'** as shown using a 3-1/8" HSC ported casing gun. RDWL.
- 4. RU Service Company. Frac down casing per attached procedure. RD Service Company.
- 5. RUWL. Set Weatherford 10K composite frac plug @ 6,350'±. Perforate Upper Price River intervals from 6,103'-6,329' as shown. RDWL.
- 6. RU Service Company. Frac down casing per attached procedure. RD Service Company.
- 7. RUWL. Set Weatherford 10K composite frac plug @ 6,080'±. Perforate North Horn/Upper Price River intervals from 5,796'-6,061' as shown. RDWL.
- 8. RU Service Company. Frac down casing per attached procedure. RD Service Company.
- 9. RUWL. Set Weatherford 10K composite frac plug @ 5,725'±. Perforate Ba intervals from 5,370'-5,694' as shown. RDWL.
- 10. RU Service Company. Frac down casing per attached procedure. RD Service Company. Flow back immediately (if required, set a composite bridge plug at 5,310'±). Following flowback, RIH w/3-7/8" bit & pump off sub. Drill out composite frac plugs. Clean out to PBTD. Land tubing @ 6,700'. ND BOPE. NU 10M psig tree. Drop ball. Pump off bit & sub. Swab/flow test.
- 11. RDMOSU. Place well on production.

PREPARED BY:	
	SHAY HOLTE, COMPLETIONS ENGINEER
APPROVED BY:	
	PAUL PENDLETON, AREA PRODUCTION MANAGER